

# Account of due diligence according to the Norwegian Transparency Act by PTC AS

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## 1 General description

This account of due diligence on human rights is conducted by Petroleum Technology Company AS (PTC), in accordance with Section 4 of the Norwegian Transparency Act. The Interwell group, where Interwell AS (is the parent company) became the owner of PTC AS, as the subsidiary company (hereafter called PTC or “the company”) during 2022.

The purpose of this account of due diligence is to exhibit PTC compliance with the requirements of the Norwegian Transparency Act and commitment to responsible business practices and that the company works in accordance with the OECD Guidelines for Multinational Enterprises.

PTC main office is located in Stavanger, Norway with other locations world-wide in regions such as: Aberdeen UK, Houston USA, Brazil, Abu Dhabi UAE and Al Khobar in Saudi Arabia. The main base in Stavanger serves as a pivotal logistics hub for global exports, a center for technological advancements, and a facility for product assembly. The regions facilities world-wide, primarily perform service and sales.

The company main area of operation is to use innovative technology to enhance the well integrity of dry wellhead systems while reducing costs, and thus enabling previously shut in wells with sustained annulus pressure to resume production. Reducing gas lift life cycle costs using proprietary technology. This includes products and services from conception to completion.

Ferd AS, as the majority shareholder of Interwell group, has clear expectations and commitments to their portfolio companies when it comes to Environmental, Social and Governance (ESG). The PTC board agenda reflects this and highlights throughout the year status updates on how the company ensures governance according to our Corporate Social Responsibility (CSR) Statement.

The company has implemented policies covering the processes for human rights and due diligence. PTC have a global Quality Management System implemented that ensures all regions compliance with ISO 9001, API Q1 and API Q2, and we continually improve the effectiveness of our processes and working practices.

## 2 Risk Assessment and Findings

Purchasing and production occur in Norway. Products are exported to customers or PTC locations internationally. Supplier & Subcontractor Assessment, including qualification of new suppliers, is a global company procedure.

Assessing our risk for any negative or potential breaches in working conditions and human rights we analyzed PTC impact in our supplier portfolio during 2022 against the following factors:

- Active suppliers,
- value of purchases,
- possibility to impact (is PTC a significant customer) and
- type of industry and supplier location.

Based on the supplier list after setting delimitation we further assessed; long-term standing, how many tiers between supplier and raw material, other relevant factors that could pressure the supply chain like frequency of urgent orders, changes to orders, price focus and over consumption of resources.

Most of our critical suppliers are in Norway, with the manufacturing of parts and components to relative to our products. We have long-standing relationships with most of our suppliers, have transparency in raw material supply and have in place a global procedure for qualifying and approving providers.



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Using the assessment process above we see no indications that there are any red flags, nor any findings in our value chain on the subject of suspected violations of human rights or decent work during the period of 2022.

## 3 Due Diligence Measures

The company has a clear procedure for handling potential adverse impacts on fundamental human rights and decent working conditions. Abiding by the United Nations guiding principles on Business and Human Rights PTC requires all partners to do the same. Including, but not limited to, decent working conditions, equal opportunities, dignity at work, modern slavery, and human trafficking. Any violation to human rights, as set forth by the Universal Declaration of Human Rights, is not tolerated or accepted in any part of our value chain. This is clearly stated in our Corporate Social Responsibility Statement which all suppliers must sign.

As part of Interwell, the company has a reporting system where any CSR issues, including human rights or working conditions, can be reported. This is done through the manager/ senior manager, support functions such as HR or Compliance, or through contacting the Corporate Ethics and Compliance committee.

An anonymous reporting channel is available to all stakeholders and can be accessed through the Interwell website. This channel is provided by an external service. Suppliers are made aware of this option and is included in our Corporate Social Responsibility Statement.

As part of the CSR Statement and supplier procedure we: Specifically address human rights and working conditions in qualification of providers. The company conduct regular audits of our suppliers, subcontractors and business providers based on specific risk approach to assess their compliance with human (labor) rights. Outline our expectations regarding human and labor rights and have it embedded as a clause in the PTC general purchasing terms and conditions. Provide training and capacity-building support to our suppliers and subcontractors to help them improve their performance on labor rights and human rights issues.

Our due diligence measures have resulted in outcomes, such as: Dialogue, increased awareness and understanding in the supply chain regarding our expectations and their responsibilities.

Stavanger, 30.06.2023

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Chairman	Managing Director	Director

